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Counsel for Plaintiff and the Class

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

ANGELA POTIKYAN, on behalf of herself and all others similarly situated, Plaintiff, v. JS DREAMS, INC. and CRISTCAT CALABASAS, INC. (individually and collectively doing business as JOHNNY ROCKETS - COMMONS AT CALABASAS), and DOES 1 through 10, inclusive, Defendants.	Case No.: 2:13-cv-06237-JEM **RESPONSE TO DEFENDANT'S INACCURATE REPORT (Dkt. No. 162)** Court Room: 630 (6th Floor) Judge: Hon. John E. McDermott

I. Introduction And Purpose Of This Report

On May 30, 2017, Plaintiff filed "Plaintiff's Status Report Re: Administration Of Settlement." Dkt. No. 160. Plaintiff stands by that May 30, 2017 Report.

At 11:59 p.m. on May 31, 2016 Defendant purported to file a document with the ECF entry entitled "STATUS REPORT filed by Defendant Cristcat Calabasas, Inc." Dkt. No. 161. However, the main document filed as Dkt. No. 161 appears to be a complaint from a completely unrelated matter.

On Friday, June 2, 2017, Defendant filed "DEFENDANT'S AMENDED STATUS REPORT of Administration of Settlement filed by Defendant Cristcat Calabasas, Inc." Dkt. No. 162. In its June 2, 2017 report Defendant misrepresents the information requested by Plaintiff's counsel.

Thus, while Plaintiff and Plaintiff's counsel stand by their May 30, 2017 Report, this filing is intended to respond to the inaccurate portrayal in Defendant's June 2, 2017 Report concerning the information requested by Plaintiff's counsel.

II. The Information Requested By Plaintiff's Counsel

On May 3, 2017, Defendant provided a single page document purporting to account for the following 4 months: December 2016 and January, February and March 2017.

On May 3, 2017, the same day that Plaintiff's counsel received the document, Plaintiff's counsel requested to speak about its contents. See Exhibit 1 emails attached hereto. Defendant's counsel did not make himself available until May 5, 2017. See Exhibit 1 emails attached hereto.

When they spoke on May 5, 2017, Plaintiff's counsel requested from Defendant's counsel information concerning the following:

"614 · Consultant Expense 2,000.00"

"615 · Contributions 725.00"

"651 · Legal & Accounting 4,000.00"

"655 · Lease Expense 792.86"

"665 · Office Expense 4,891.04"

"686 · Repairs 2,063.62"

"690.1 · Wages & Salaries 108,350.82"

In addition, as part of the settlement, Plaintiff agreed to an initial set-aside of $15,000 for closing costs which amount was previously retained by Defendant (and thus not paid to Plaintiff). It does not appear that Defendant expended anywhere near $15,000 in closing costs. Thus, to the extent closing costs are less than $15,000, Plaintiff will pursue those funds unless that matter is also resolved.

Additionally, Plaintiff's counsel pointed out a purported expense of $12,000 described as "449 • Management 12,000.00" which Plaintiff intends to challenge. Plaintiff and Defendant were to divide profits 40% to Plaintiff, 60% to Defendant, pursuant to the Settlement. Yet, *before* dividing profits, Defendant is double-dipping by siphoning a so-called "Management" fee of $12,000, thereby depriving Plaintiff of its share of this $12,000. Plaintiff's 40% share of this $12,000 alone totals $4,800, which Plaintiff has been deprived because Defendant siphoned the entire $12,000 *before* a profit division was made.

Respectfully submitted,

DATED: June 4, 2017

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By: /S/ – Chant Yedalian
Chant Yedalian

Counsel For Plaintiff and the Class